

**FACTORS AFFECTING SUPPLIER PERFORMANCE IN GEOTHERMAL
DEVELOPMENT COMPANY, KENYA**

BY

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**A RESEARCH PROJECT SUBMITTED TO THE SCHOOL OF BUSINESS IN
PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE
DEGREE OF BACHELOR OF COMMERCE IN PURCHASING AND SUPPLY OF
GRE TSA UNIVERSITY**

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DECLARATION

This Research Project is my original work and has not been presented for award of a degree or for any similar purpose in any other institution

Signature Date.....

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Supervisor: This Research Project has been submitted with my approval as University supervisor

Signature Date

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DEDICATION

I dedicate this report to the organizations who wish to have an efficient supplier performance in their operations, and to my university colleagues for encouraging me up to this far in academics as I endeavor to achieve more.

ACKNOWLEDGEMENT

I would like to acknowledge my supervisor Madam Fridah for her assistance, advice and patience. Greta university for providing a conducive environment for research and learning. Many thanks go to my family members, colleagues and the Geothermal Development Company staff in Naivasha for their support throughout this research study.

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ABSTRACT

The research study was mainly bound to the fact that the researcher intends to investigate about the various factors that have contributed towards supplier performance at geothermal company in Kenya. The general objective of the researcher was to investigate and ascertain the various possible factors contributing towards supplier performance at Geothermal Development Company. The researcher was to pick a potential sample size of 50 individuals after targeting 70 individuals who works in the procurement department for the aspect of collecting the necessary data and information. The researcher's instruments that were used in the research was a written questionnaire with both open ended and closed ended questions. The research study was able to gather out various qualitative and quantitative information that was later used in the process of data analysis. Upon the analysis of data, the researcher was able to observe that buyer-supplier relationship, information communication's technology and supplier development do indeed affect the performance of most of the procurement activities at the case study organization. The research study concluded that the case study organization should look into the three factors that influence procurement activities in the organization with considerable understanding so as to ensure smooth running of procurement activities in the case study organization.

CHAPTER ONE: INTRODUCTION

This chapter contains the following: background of the study, statement of the problem, objectives of the study, the research questions, significance of the study, limitations of the study and scope of the study.

1.1 Background of the study

In recent years, there has been a shift in manufacturing companies away from vertical integration toward smaller, leaner operations. Associations have cut back concentrated on center skills and endeavored to accomplish upper hand by utilizing their providers' capacities and advances. Many have decreased their provider base to all the more viably oversee associations with key providers and created agreeable commonly valuable connections with all suppliers.

By abusing providers' abilities upgrades in item quality snappier incorporation of innovative leaps forward, and shorter new product development lead times are the expected outcomes. Suppliers can likewise be engaged with item structure at a prior stage and in doing as such create more savvy plan decisions create elective calculated solutions, select the best segments and advancements and help in design assessment (Monczka et al. 2014; Burt and Soukup 2016).

More prominent reliance on providers expands the need to viably oversee providers. Three measurements underlie provider the board successful provider determination imaginative provider improvement procedures and significant provider execution evaluation components. While firms contrast in the particular methodologies used to oversee provider's certain patterns can be watched.

Quantifiable or "hard" criteria (Eliram, 2010) for example, value conveyance quality and administration are routinely utilized for provider determination and evaluation. "Soft," hard to

measure factors, for example, the board similarity and vital bearing of the provider have likewise been demonstrated to be significant especially with regards to key purchaser provider organizations site visits preparing and elective providers are habitually used to invigorate improved provider execution.

While much has been written about the importance of supplier management and the tactics used to do so, little evidence exists regarding the impact of specific tactics on performance. Worldwide challenge mass customization uplifted client desires brutal monetary conditions are driving organizations to depend on outside providers to contribute A bigger bit of parts materials and gatherings of completed items and to deal with a developing number of procedures and capacities that were once controlled inside.

In 2014, Aberdeen Group's Production network research practice and Isource business magazine analyzed provider execution estimation practices of acquisition over different ventures and topographies. More than 70% of ventures have founded formal strategies for estimating provider execution as very important or critical to their companies' overall operations. However, only half of the enterprises have instituted formal procedures for measuring supplier performance.

There is clear evidence that failure to accurately measure, evaluate, and manage some of these partners can increase a company's cost, damage its product quality and hinder its competitiveness in the market place. The study clearly showed that enterprises with formalized performance measurement programs were able to improve in supplier performance with 26.6% than those without such formal procedures at 15.8%. Enterprises that shared performance data with suppliers were able to generate 61% greater improvements in supplier performance than those that only used this information internally. Enterprises that supported their supplier

performance measurement initiatives with automation tools achieved a 57% greater improvement than those without automation.

In Kenya today, public institution spends about 60% of their revenue to purchase goods and services. This require selection of suppliers who are reliable to supply necessary goods and services (Imbuga 2010). This makes entities success dependent on their interactions with suppliers. As firms seek to globalize their business, they must also bring with them a capable supply base that can likewise support this global initiative into new markets and business, as well as drive costs out of supply chain.

Supplier's performance has considerably impacted on the efficiency and effectiveness of the customer firm and is of vital importance. It is also adding value to the aspects of acquisition of products and services through the value chain process and performance criteria when making purchasing decision. The assessment of supplier performance in Kenya has encouraged the suppliers to commit to results and makes their improvement efforts more transparent, with the

1.2 Statement of the Problem

Progressively, firms are allotting more assets to their center capabilities and empowering the re-appropriating of non-center exercises, which expands their dependence and reliance on providers. This expands the significance of successful provider choice and evaluation on a purchasing association's business execution. Result demonstrate that delicate, non-quantifiable choice criteria, for example, provider's key promise to a purchaser, greatly affect execution than hard, increasingly quantifiable criteria, for example, provider capacity, yet are viewed as less significant.

Therefore, some of the problems encountered when supplier selection is not properly done include: on time delivery and end user customer satisfaction levels may decline because of the delays by third parties and these delays can be caused by many factors that are outside the control of the outsourcing company. Example includes port/ customs delays, labor disputes and political unrest. Product or service quality may also suffer in outsourcing, affecting customer satisfaction. Companies must carefully select quality, contract with and manage their suppliers.

1.3 Objective of the Study

1.3.1 General Objective

The main objective of the research study was to investigate and ascertain the various possible factors contributing towards supplier performance at Geothermal Development Company.

1.3.2 Specific Objective of the Study

- i. To establish whether buyer to supplier relationship has affected supplier performance
- ii. To establish whether information communications technology used has affected supplier performance
- iii. To establish whether supplier development has affected performance

1.4 The Research Questions

The research questions were as follows:

- i. Does buyer to supplier relationship affect supplier performance in GDC?
- ii. Does information technology use affect supplier performance in Geothermal company?
- iii. Does supplier development affect performance in GDC?

1.5 Significance of the Study

1.5.1 The researcher

It enabled the researcher to fulfill the partial requirement of Greta University for the award of degree in procurement.

1.5.2 The Geothermal Company

The research findings were beneficial to Geothermal Company because it was to help the procurement officers to be able to assess the factors that affect supplier performance.

1.6 Limitations of the Study

Some of the employees were not willing to share the required information fearing that it may be used against themselves or by rival firms. Besides requesting information that the respondents considered sensitive, secret and personal was to be encouraged, being given incorrect answers by the respondents limited the study in terms of accuracy. Although the study was to be on factors affecting supplier performance, it was limited toward Geothermal Company. The findings may therefore not be true for other Companies whose operations and characteristics differ from those of Geothermal Company ltd.

1.7 Scope of the Study

The study was to be conducted within Geothermal Company ltd which is situated south Lake of Naivasha 25 kilometers away from Naivasha Town. The study was conducted between months of August 2019 to October 2019, with the target population of 70 employees from procurement department under the study of factors affecting supplier performance.

1.8 Conceptual Framework

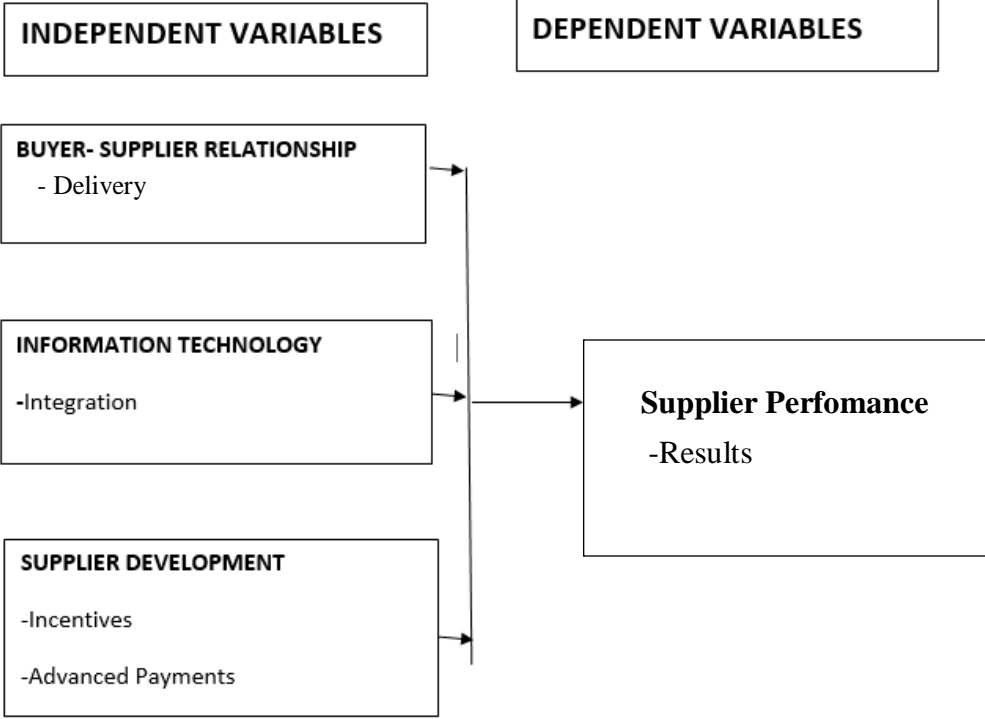


Figure 1 Conceptual Framework

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction.

This section mainly contains the various literature contents that mainly elucidate about the past studies that have been carried out by the researcher

2.2 Factors influencing supplier performance.

2.2.1 Information technology.

Information technology has become the center cornerstone of development in the aspect to do with the sustainability and the performance of most supply management aspects. According to Stanley et al (2014) the aspect of technology has been used in most procurement departments with its profound suitability to attain the necessary information and potential activities that should be conducted in the various procurement departments.

Another researcher by the name of Alejandro (2015) suggested that without the introduction, advancement and adoption of technology, the aspect of supplier management and technology would in turn be of essential part whereby most of the activities in the procurement department pertaining supplier, maintenance would be more tedious in paperwork. He concluded in his research that it would be more difficult to Fathom that the aspect of modern technology.

2.2.2 Buyer-Supplier Relationship

As suggested by Olsen and Ellran (2017), the links between the characteristics of the relationship such as trust, cooperation and the performance of the relationship need further research. Therefore, this study makes an important contribution to the relational literature and supply chain management literature through investigation of the phenomena of retailer supplier relationship and their impact on supply chain in the Chinese context.

Dimensions of Buyer- Supplier Relationship

2.2.2.1 Trust

Trust is a crucial factor in sustaining the complex business network and contributing to the success of a firm Chinese business communities. To distinguish basis of trust, in Chinese culture, trust is cultivated at the personal level, whereas in western culture trust is established at the organizational level (Fang and Kriz 2015). Trust designates 'an individual's notoriety for reliability on both an expert and individual level just as believability in a business circumstance". (charm and phrud'homme 2015). Chinese organizations esteem the reliability and an individual's believability of their exchange accomplices significant in business dealings. Likewise, Ganesam (2014) announced that the notoriety of the provider's reasonableness significantly affects its believability in the business, and thus agreeable validity was make more elevated amount of trust. Two noteworthy parts of trust are close to home trust and authoritative trust and was to be centered to give more experiences around how trust plays a significant in the Chinese purchaser - provider relationship.

2.2.2.2 Personal trust

The accentuation on trust has won among business enterprises in western nations as well as in Chinese business network. Trust was significant factor in maintaining the perplexing system of exchanging relations (wong 2014). The Chinese business connections have all the earmarks of being profoundly customized, in view of individual trust (Kiong and Kee 2016). Investigation of individual trust in Taiwan demonstrated that individual trust assumes a noticeable job in the foundation of organizations. Chinese business practices are based on personal trust, with less formally defined rights and obligations (Mavondo and Rodrigo 2011). The formal contracts are

just as a backup of legal commitment. Therefore, Kiong and Kee 1998 Conclude that the non – use of written contracts characterize the mutual trust between the channel members.

2.2.2.3 Organizational Trust

Western business companies usually check their first-time customer’s credit history before business transactions and credit position. If a supplier has a good reputation in his history of dealing with other firms, trust and credibility are easily built consequently. Credibility in the west implies the words or written statement that can be relied on between the supplier and the retailer (Doney and Cannon), 2017.

Some studies conducted in China, Taiwan and other Asian countries have also revealed the importance of credibility in Chinese business transactions and the positive impact of credibility on the trust-based exchange relationships (Barton 2010), DeGlopper’s 2011, Study of Lukang in Taiwan also addresses the importance of credibility in business and explain further that credibility is evaluated upon one’s business performance. If a firm does not keep its word or cheat, it was lose its credibility. In a world based on mutual trust, credibility further ensures the security and reliability in business deals. Additionally, Ganesam 2018, asserted credibility has a significant effect on long term relationship. In conclusion, the benefits and impact of trust, along with the background of different aspects of trust in Chinese relationship explain the critical role of trust as a key success factor in buyer- supplier relationships. Therefore, trust was to have a positive impact on supplier performance.

2.2.2.4 Communication

Owing to the risk of seasonal and short product life, small firms are naturally inclined to reduce inventory carrying costs and maximizing profits from the product provided by the suppliers.

Many companies have perceived the importance of substituting information for inventory as a potentially powerful source of competitive advantage (Spekman et al 2011). In this manner, compelling correspondence assumes a basic job in social and business relationships. Anderson and Narus 2012, characterize correspondence as " formal just as casual sharing of significant and convenient data between firms". Gun and Perreault 2014, recommend increasingly open sharing of data is demonstrated by the eagerness of the two gatherings to share significant data. However, lack of trust can be translated to unwillingness to share information (Fawcett and Manan 2018), and can make it difficult to share sensitive information such as financial data, especially in Asian business. Therefore, Mavondo and Rodrigo 2011 bring up the issue of difficulties in cross – cultural communication and information sharing as they can be a significant obstacle to business.

Viable correspondence is channel relationship can upgrade levels of channel part coordination, fulfillment, responsibility levels and execution (Goodman and Dion 2010). In design clothing industry, visit correspondence among retailers and providers can speed up snappy and exact estimates (Fisher et al 2012). With nearness of trust and backing, channel part are all the more ready to pass data upward and advance bidirectional correspondence (Blair et al. 2011). Thus, it was to help better match supply with interest and increment benefit for channel individuals. Then again, under inconsistent power relationship is less ground-breaking channel gathering has an inclination not to give data and criticism to all the more dominant ones (Blair et al 2011).

Along these lines, the limited data stream was obstruct the channel relationship influence the provider execution too. Effective communication is crucial to maintain a long-term buyer-supplier relationship and achieve high performance. According to Mohr and Nevin 2012, there are four categories of communication: Content, Way, feedback and frequency. These categories

was to shape the communication intensity and the Integration between supplier- buyer relationship. Moreover, the communication plays an important role in the integration with distribution channel, because it allows the suppliers to improve performance according to customer's needs.

In a highly integrated buyer- supplier relationship the type of information received, according to Gullati and Gargiulo 2018 was to be more intense compared to that one received directly from the Market. In a vertically integrated chain, information access and supply flow through the formal and informal hierarchical structure. In export, the exchange of confidential information or strategic information is relatively communication. In this way, the necessary trust may lead to a high level of commitment between buyer and supplier. Relationship between parts would create a wide channel of rich information dissemination. Different literary works considered and investigated the responsibility in relationship showcasing and store network the board. Duty is characterized as a craving to build up a steady relationship, an ability to make transient penances to keep up the relationship, and a trust in the security of the relationship.

Colleague assumes a significant job to keep up the progressing relationship for long haul achievement. The provider considers the relationship as a long-haul association with faithful colleague (Prahinski and Fan, 2015). Along these lines, it is viewed as significant for the provider to proceed with business tasks with the responsibility of gathering or notwithstanding surpassing the purchasing company's needs. In view of a few literary works, every responsibility type is primarily estimated as far as passionate and duration relationship, for instance, the investigation of Wu et al (2013) estimated the dedication between accomplices' dependent on emotional duty, continuation duty and standardizing duty. Be that as it may, there have been not

many examinations on purchaser provider duty dependent on two measurements; purchaser provider relationship and exchange explicit venture.

There are a few examinations which connected the connection among duty and purchaser venter relationships. According to Ellram (2012), an organization was characterized as a common, progressing relationship including responsibility over an all-inclusive timeframe, and a sharing of data and prizes of the relationship. This implies trade accomplices need to share common advantages in business improvement for a long-haul association.

The purchasing firm and its accomplice are resolved to cooperate to improve the quality, decrease the expense, and improve the unwavering quality of the items they provided. In this way, colleagues are resolved to make persistent improvement in every related action. In any case, the responsibility was additionally founded on the advancement of value-based explicit speculation. Specific investments by buyers encourage suppliers to have commitment in business relationship.

2.2.3 Supplier Development

As per various investigations, provider execution is estimated by different criteria. Several key focused components were extensively used to survey the provider performance. For models, item quality, conveyance execution, cost, physical distribution, services, adaptability, connections are viewed as significant variables for estimating the supplier execution. The provider execution improvement was utilized as the key indicator for the achievement of provider advancement methodologies (Watts and Hahn, 2018).Based on the review of previous work and field interview with the procurement managers in electrical components industry, this study focuses on buyer's perception on the supplier's improvement in the aspects of cost, quality, and delivery which are the critical supplier improvement areas.

The buying firm provides incentives to motivate suppliers who desire for increased volume of business and priority consideration for future business. Thusly, this provider is bound to proceed with business activities and open their offices, expand their assets venture, incorporating give more prominent responsibility in joint learning transfer (Modi and Mabert, 2015). Additionally, because of aggressive weight, colleagues need progressively coordinated exercises, data, and procedures to accomplish the business goals.

From a buyer-supplier relationship perspective, supplier development is a key enabler to encourage the high level of buyer supplier relationship. Carr and Pearson (2018) indicated that supplier evaluation systems have a positive impact on buyer-supplier relationship.

Therefore, when the supplier is unable to perform as the firm's expectations, the buying firm needs to communicate these problems and clarify the buying firm's objectives for supplier performance improvements. This resulted in more cooperation and commitment to the supplier. Wagner (2011) examined that there is a positive effect of indirect supplier development on supplier relationship improvement

2.3 Networks theory

In order to evaluate the contribution of a theory to supply management one first has to understand the activities of the purchasing function. For this, a 3-phase model was established which aimed to structure the annual activities of the purchasing department. In each phase of the model, purchasers are faced with certain decision-making points, which could function as a testimonial for the evaluation of the contribution of the underlying theory. The first phase is described as the antecedent process, which occurs outside the range of responsibilities and consists of two different inputs, namely the purchasing targets and the demand planning.

The purchasing targets can be considered to be linked to the corporate strategy, whereas the demand planning process determines which material has to be bought at a specified quantity and time (P. Cousins, Lamming, Lawson, & Squire, 2008, pp. 13-15; Monczka, et al., 2010, pp. 33-35). The demand planning process is also considered to be the first decision point, mainly the decision whether to make-or-buy. Coming to the second phase of the model, the primary process, it can be said that this process describes the main tasks of the purchasing department and is divided into 5 different processes. Here, the so called 'Category strategy' describes the first process. The process describes the labelling of products and services which are afterwards categorized into different groups depending on the commodity type. Further it describes the second decision point in which purchasers have to determine how their sourcing strategy for a certain commodity should look like, be it global or local sourcing, single or multiple sourcing, or sourcing with the help of partnerships or competitive bidding (Schiele, 2016, p. 2; VanWeele, 2015, p. n/a).

CHAPTER THREE: RESEARCH METHODOLOGY

This chapter mainly looks at the research design, the study area, the target population of the study, the sampling size and sampling techniques, validity of the research study, data collection techniques, research instruments and data analysis of the research study that was to be used.

3.1 Research design.

The research design used was descriptive in nature under which the researcher shall use the information to be obtained in order to carry out the relevant data analysis

3.2 Study area.

The research study was conducted at Geothermal Development Company. The researcher chose the case study due to the available case study logistical and ethical considerations which made the research suitable and effective.

3.3 Target population.

The target population of the research study mainly comprised of the procurement department that were sampled out by the researcher. The target population of the organization in the procurement department was 70 procurement officers who are currently working in the organization.

3.4 Sampling technique.

All the respective respondents that were used in this case study were mainly selected using simple random sampling methodology of research study during the whole period of conducting the research study

3.5 Sample size.

The sample size population comprised of the total composite respondents that have been existent in any natural phenomenal. According to Ruoth, (2017) he suggested that 10%-40% of the respondents who are actually the total target population is significantly considered essential for conducting the research study. The sample size was taken from the procurement department section.

Table 1 Sample Size Percentage

Target population	Sample size. (10-40%)
70	40

3.6 Validity and Reliability

Validity mainly refers to the accuracy and meaningfulness of inferences, which are based on the research results (Monczka et al, 2014). The validity of the research findings was to be measured in that the researcher before conducting the research study conducted a pilot study under which the findings of the pilot study were used to make comparisons with the actual findings of the research study.

Reliability on the other hand refers to the measure of the degree to which a research instrument yields consistent results or data after repeated trails (Creswell, 2012). The researcher was able to measure the reliability of the research instruments by issuing out one questionnaire to the sampled respondents and observing if the respondent were being able to answer the research questionnaires.

3.7 Data Collection Techniques

The researcher shall use one data collection technique under which the researcher shall issue out the relevant questionnaires to the respondents in the paper form and later receive back the questionnaires that was to be returned. The questionnaires was to be in paper form thus the researcher shall collect them and keep them into different clusters depending on the information to be given by the respondents on the questions asked by the researcher.

3.8 Data Analysis

To analyze the collected data, the researcher categorized the different levels of questions in the questionnaires that later represented a different cluster of information that was quantitatively of significant viability in the provision of quantitative information that was primarily be important in the conducting of the research study project on the particular research project topic of study.

3.9 Logistical and ethical considerations.

Some of the various logistical and ethical considerations shall include the following:

- a. The questionnaires issued were conclusively looked at in order to avoid respondents from having an ill motive while answering them.
- b. The researcher obtained a research permit under which was to be beneficial in the process of data analysis.
- c. The researcher sought the respondents consent before undertaking them a research sample size.

CHAPTER FOUR: DATA ANALYSIS AND FINDINGS

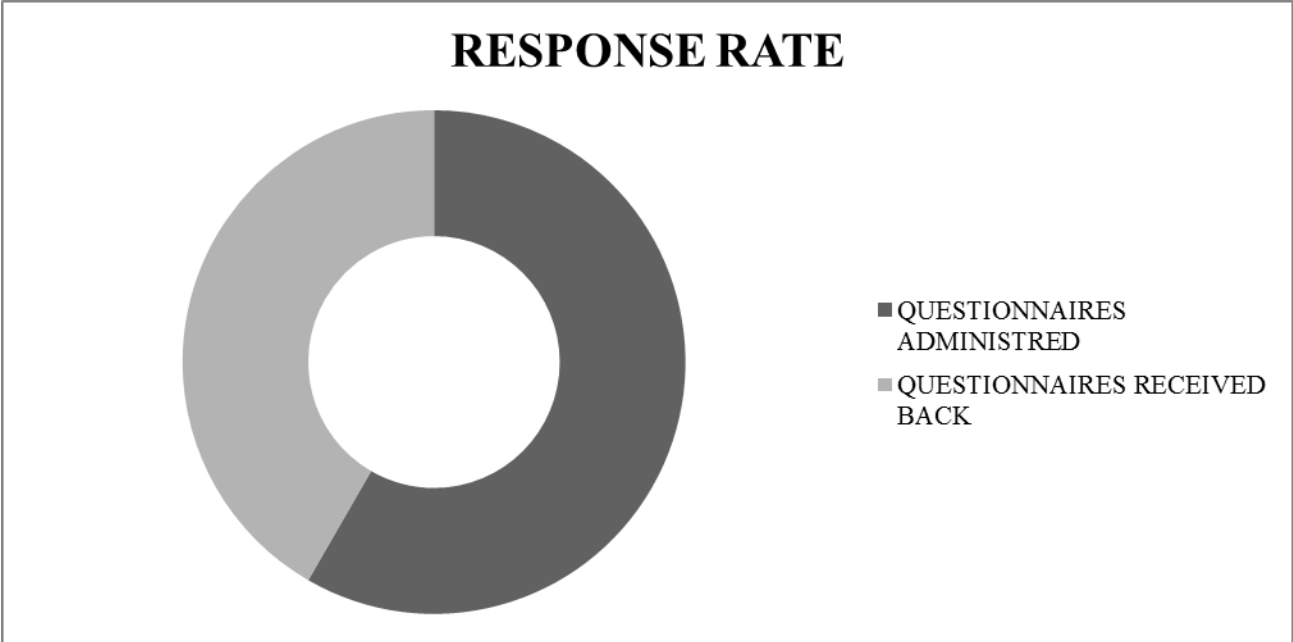
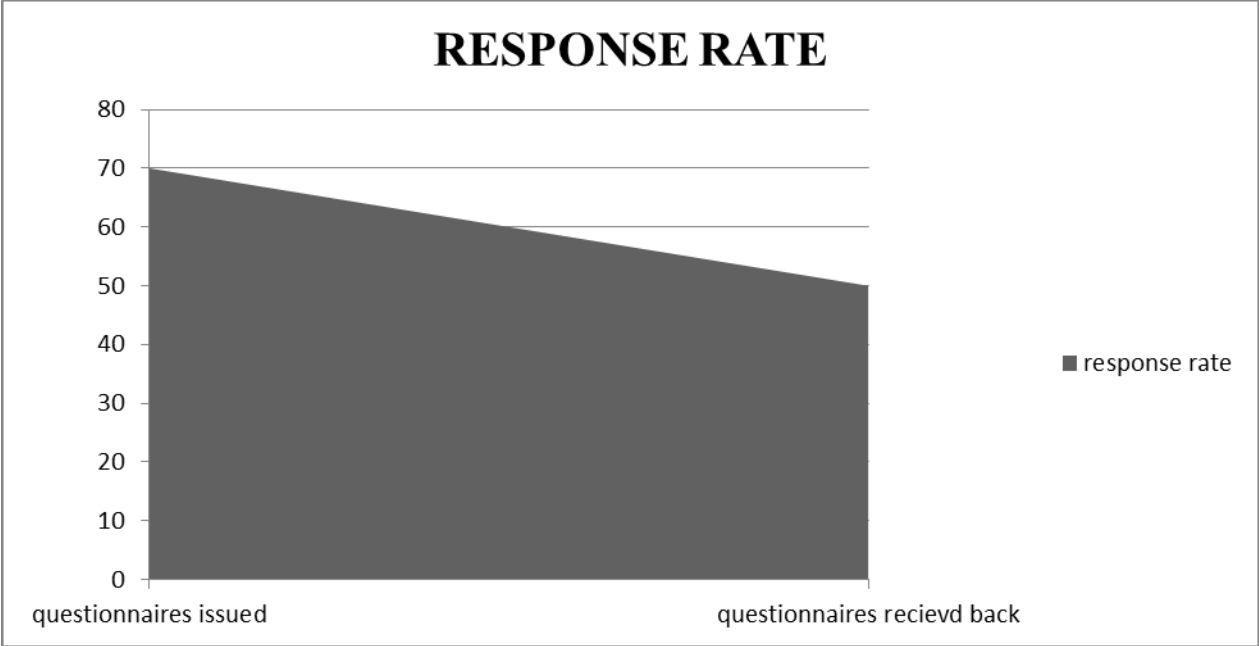
4.1 Introduction

This section mainly contains the various information that has been accessed by the various findings of the research study.

4.2 Response rate

The researcher was able to analyze the various response rate that the research study was able to undertake, the researcher was able to observe that out of the 70 procurement officers administered in a case study, 50 of the respondents were able to answer the questionnaires that were being administered by the researcher.

Sample size	Questionnaires administered	% figure of questionnaire administered	frequency	Questionnaires received back	Percentage	frequency
Sub-total	70	100%	100	50	71.42%	71

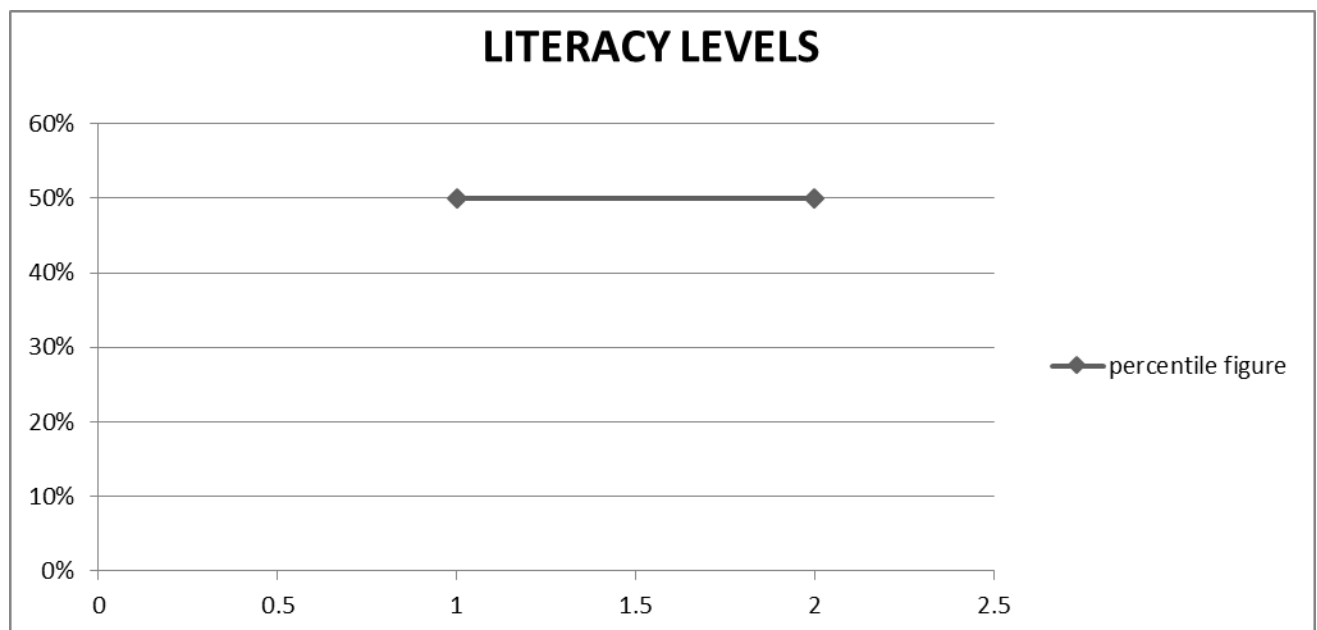


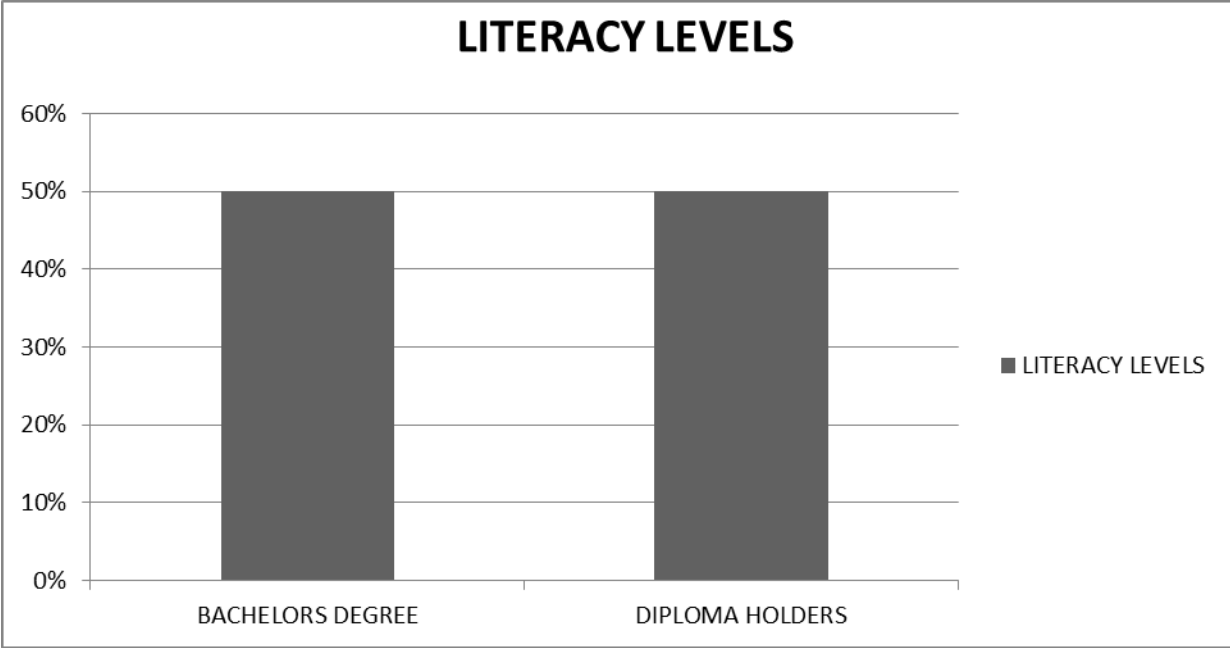
4.3 Background information

4.3.1 Literacy levels

The researcher was able to observe that out of the 50 respondents who were able to actively take part in the research study, 25 of the respondents were bachelor's degree holders in procurement while the remaining numbers of respondents were diploma holders in procurements.

Academic holders	Number	Percentage	Frequency
Bachelor's degree	25	50%	50
Diploma holders	25	50%	50



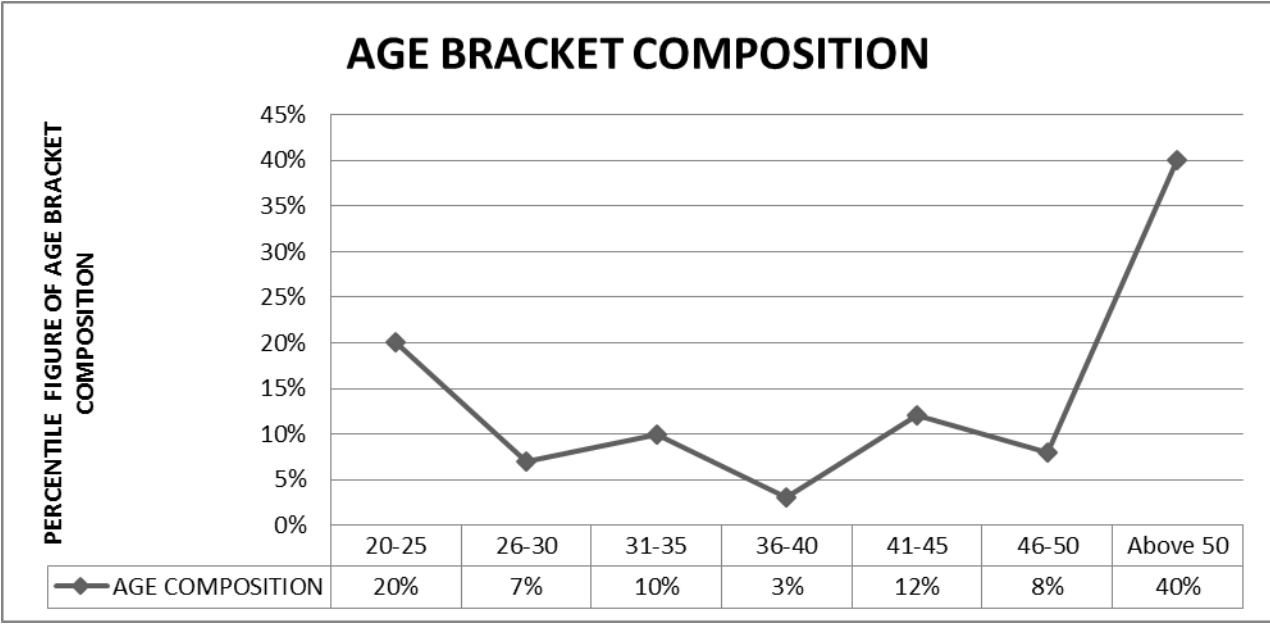


4.3.2 Age bracket composition

The researcher of the research study was able to make out observations based on the research study age bracket composition; the research study indicated that out of the numerous recorded age composition the researcher was able to indicate that most of the respondents in the research study area had an age composition of between 20-25 years

Age composition	Frequency	Percentage
20-25	20	20%
26-30	7	7%
31-35	10	10%
36-40	3	3%

41-45	12	12%
46-50	8	8%
Above 50	40	40%



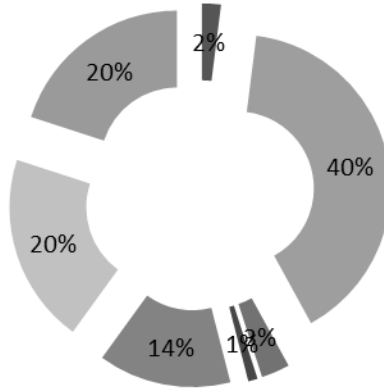
4.3.4 Working experience

The researcher was able to extensively look and observe on the basis of the research study working experience of the respondents, the researcher was able to observe that out of the respondents working experience were beyond the experience years of between 5-10 years respectively as answered in the various questionnaires administered.

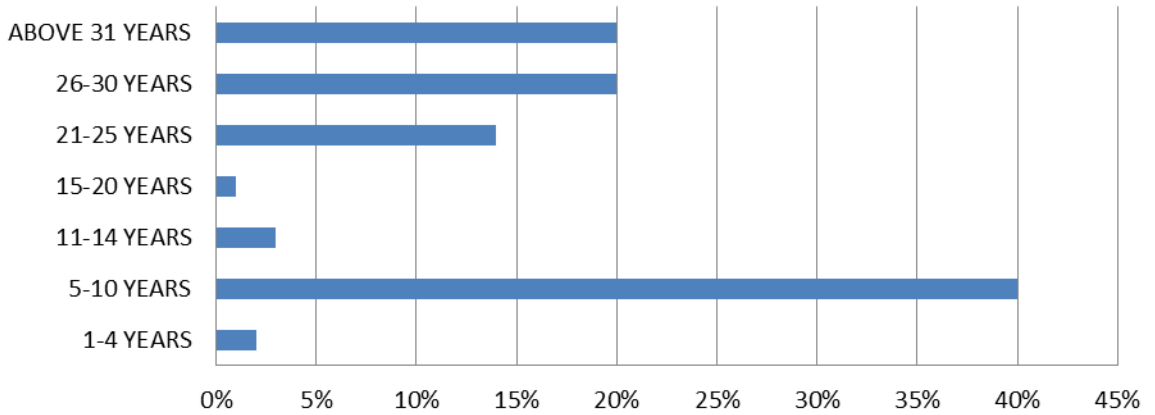
Working experience	frequency	Percentage
1-4 years	2	2%
5-10 years	40	40%
11-14 years	3	3%
15-20 years	1	1%
21-25 years	14	14%
26-30 years	20	20%
Above 31 years	20	20%

WORKING EXPERIENCE

■ 1-4 years ■ 5-10 years ■ 11-14 years ■ 15-20 years ■ 21-25 years ■ 26-30 years ■ above 31 years



WORKING EXPERINEECE

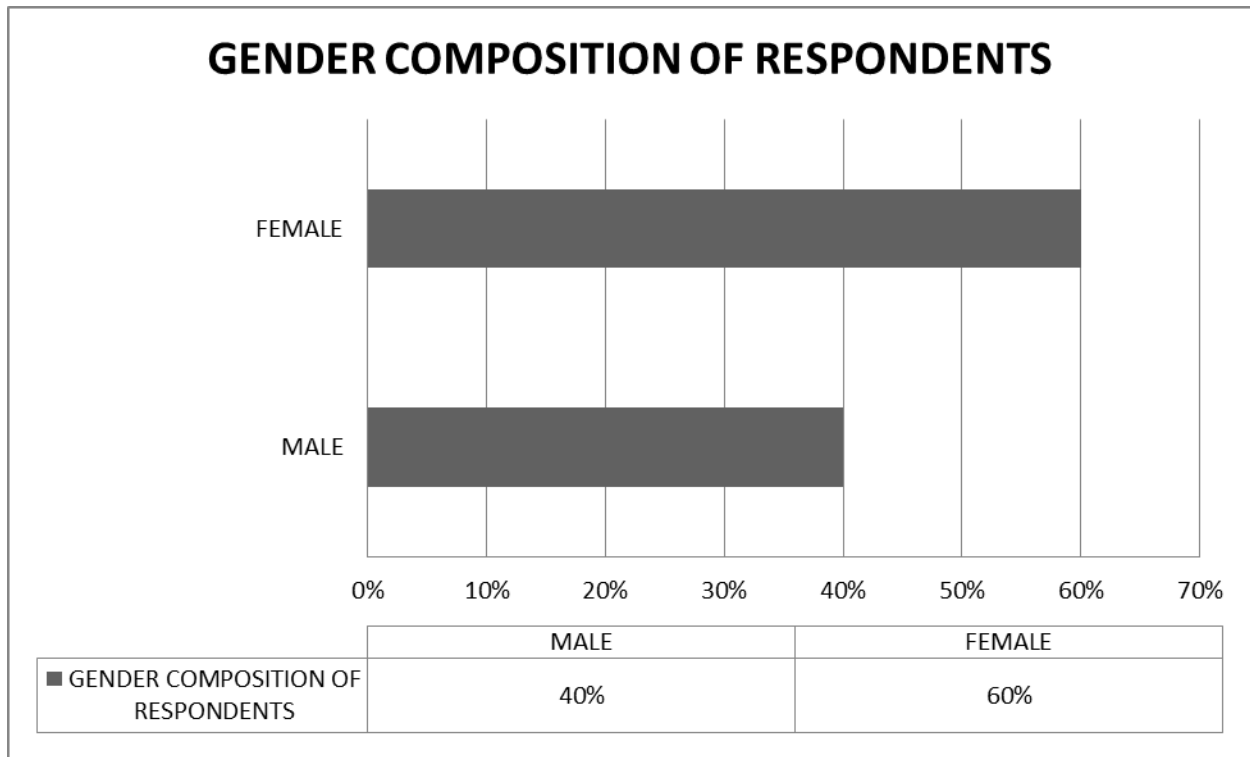


	1-4 YEARS	5-10 YEARS	11-14 YEARS	15-20 YEARS	21-25 YEARS	26-30 YEARS	ABOVE 31 YEARS
■ WORKING EXPERINEECE	2%	40%	3%	1%	14%	20%	20%

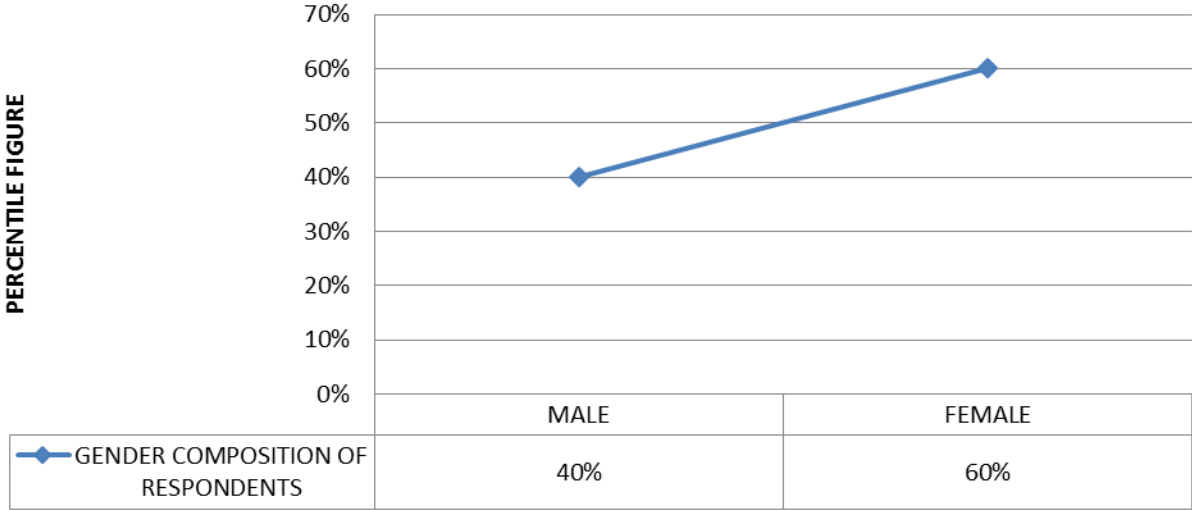
4.3.5 Gender composition of the respondents

The research study was able to observe that out of the sampled population of around 50 procurement officers, 30 were clustered as females while the remaining 20 were clustered as male

GENDER COMPOSITION OF RESPONDENTS	FREQUENCY	PERCENTAGE
MALE	40	40%
FEMALE	60	60%



GENDER COMPOSITION OF RESPONDENTS



4.4 Discussion of the findings

4.4.1 Do buyer to supplier relationship affects supplier performance in GDC?

The research study was able to observe that from the various information that was observed by the respondents, the researcher was able to observe that indeed the aspect of buyer supplier performance does indeed affect the performance of GDC. The respondents argued out that in business relationship is a vital and a technical component that needs to be keenly observed with a lot of measurements, if by any chance the relationship in business is not as properly envisaged then it may result towards a change in the way business operations are conducted out.

The research study observed that out of the various information accessed about the preferred case study the research study mainly stated that the procurement department of GDC had crafted the art of professional buyer-supplier relationship in order to facilitate the concept that the organization may only be potentially viable to depend on one supplier. The researcher also was able to qualitatively observe out that this aspect to do with buyer supplier relationship was conducted in order to ensure that the organization does not utilize much time and resources on continuously sorting out suppliers from other geographical regions that are not regionally bounded within the organizations set up.

The other factor that had been observed was the fact that despite the concept of reducing out time and resources of sorting other suppliers, the organization had to ensure that they are able to get that one supplier that is potentially able to facilitate the organization with the proper commodities that are intended by the preferences of the organization as well as to ensure that the commodities are of the right quantity and quality.

4.4.2 Does information technology use affect supplier performance in Geothermal Company?

Information communications technology is also another vital concept that mainly is used in the way procurement activities are conducted in the organization. A good system of information technology may influence the way an organization's able to perform in terms of its activities and the normal organization functions it mainly plays. A research finding that was keenly observed was the fact that most of the procurement officers who were mainly used in the case study organization were said to be in positive response to that indeed the concept of information technology does indeed has an influence on the performance of procurement activities in the preferred case study organization.

Some of the researchers indicated that information technology does not only initiate the aspect of organization efficiency and faster aspects of conducting out various activities but it's also a necessary aspect when it comes towards the aspect of making sure that all the activities in the organizations run out smoothly and do not initiate out any error aspect in the process of conducting out this activity.

Other individuals who were able to articulate out their views on the concept of information communications technology were accounted that the concept of information technology does only offer out efficiency when trying to conduct out activities but it's essential when trying to understand the various market knowledge and intelligence that are required in trying to develop and ensure a keen emphasis on procurement facilities and activities in an organization

4.4.3 Does supplier development affect performance in GDC?

Supplier development is also another essential aspect that is potentially essential in the activities conducted in the procurement departments. According to the research study, the researcher was able

to observe that most of the procurement officers were able to state that the aspect of supplier development is of significance in the organization in that when a supplier is potentially developed then the issue of flow of supplier commodities was always be potentially viable in the organization.

The research study was able to account that there are different supplier development that the procurement department of the case study organization usually conducts when trying to carry out development purposes for the organization; some included aspects such as supplier increase in remuneration's paid as well as market based training and intelligence of the buyer-commodities preferences.

CHAPTER FIVE: RESEARCH FINDINGS, CONCLUSIONS AND RECOMMENDATIONS.

5.1 Introduction.

This chapter mainly highlights on the research study, research findings, research conclusions and the research recommendations as well as the suggestions for further studies.

5.2 Research findings.

The researcher was able to conduct out a wide research in the respective case study area at large. Some of the challenges that the researcher was able to overcome in order to ensure that the research study is successful is the aspect whereby the researcher had not all of the questionnaires returned towards him for the aspect of data analysis and thus resulted towards impartial data that was analyzed by not the exact number of sampled respondents used in order to facilitate them with the aspect of analyzing and drawing out conclusions of the research study.

The other research finding that the researcher was able to identify the fact that there was necessary information on the aspect of data compiled with respect to the gender of the respondents. The researcher was able to identify and find out that in turn a higher percentile number was significantly evident towards the aspect of female population compared to the male population of the sample size at large.

The researcher was able to observe that indeed the aspect of buyer supplier performance does indeed affect the performance of GDC. The other aspect that the researcher was able to observe that concept of information technology doe indeed has an influence on the performance of procurement activities in the preferred case study organization. The other observation that the researcher was

able to make the fact that the concept of supplier development does indeed affect the performance of procurement activities in the preferred case study organization.

5.3 Research conclusions.

The research study concluded that buyer-supplier relationship, supplier development and information technology are vital aspects that need to be embraced since they do affect the performance of procurement activities in the investigated case study.

5.4 Research recommendations.

Some of the researcher's recommendations were as of the following:

- a. The research recommends more research to be carried out in order to improve the aspect of buyer-supplier relationship.
- b. The organizations should ensure that they persistently ensure that information technology based in the procurement departments are well up to date so as to ensure smooth flow of procurement operations
- c. The organizations should ensure that they find out more ways of improving supplier development strategies and plans.

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APPENDICES.

5.1 Questionnaire

I am a student of Grets University undertaking a Bachelor 'of commerce (B.com) in purchasing and supply. As a requirement by the university academic regulation I am required to write a research project Research Project as one of my requirement. I hereby wish to request you in giving me your opinions on the relevant questions below:

Section A

Question one: Background information

A. Literacy level of respondents

a) Master's degree

b) Bachelor's degree

c) Diploma

d) Certificate

B. Age composition of the respondents.

ITEM NUMBER	AGE CLUSTER	TICK
1	18-25 years	
2	26-35 years	
3	Above 36 years	

C. Gender of the respondents.

Gender of respondents	Tick
Male	
Female	

D. Working experience.

Working experience of the respondents	Tick
Less than 3 months	
4-6 months	
Less than 2 years	
3-5 years	
6-8 years	
9-10 years	
Above 10 years	

E. Level of management.

Level of management cluster	Tick appropriately
Top level management	
Lower level management	
Middle level management.	

SECTION TWO

Question one: Respondents opinion on the factors affecting supplier performance

5-Strongly Agree 4-Agree 3-Nuetral 2- Disagree 1- Strongly Disagree

Question One	5	4	3	2	1
Does quick deliveries affect supplier performance in GDP?					

Question Two	5	4	3	2	1
Does collaboration between buyer to supplier relationship affects supplier performance in GDC?					

Question Three	5	4	3	2	1
Does incentive affect supplier development in GDC?					

Question Three	5	4	3	2	1
Does advanced payment affect supplier performance?					

SECTION THREE.

Question one: Respondents recommendations

What are your recommendations that the organization ought to do in respect to the above factors that affect supplier performance?

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